

**Cape Light Compact JPE
Governing Board
Open Session Meeting Minutes
Wednesday, March 13, 2019**

The Cape Light Compact JPE Board of Directors met on Wednesday, March 13, 2019 in the Martha's Vineyard Conference Room at the Cape Light Compact JPE Offices at 261 Whites Path, Yarmouth, MA 02664 at 2:00 PM.

Present Were:

1. David Anthony, Secretary, Barnstable
2. Peter Doyle, Barnstable Alternate
3. Robert Schofield, Executive Committee, Bourne
4. Colin Odell, Brewster
5. Peter Cocolis, Executive Committee, Chatham
6. Timothy Carroll, Chilmark – **By Phone**
7. Brad Crowell, Dennis
8. Fred Fenlon, Eastham
9. Alan Strahler, Edgartown
10. Ronald Zweig, Chair, Falmouth
11. Valerie Bell, Harwich
12. Richard Toole, Executive Committee, Oak Bluffs – **By Phone**
13. Martin Culik, Executive Committee, Orleans
14. Leanne Drake, Sandwich
15. Richard Elkin, Wellfleet
16. Sue Hruby, West Tisbury
17. Joyce Flynn, Vice-Chair, Yarmouth

Absent Were:

1. Michael Hebert, Aquinnah
2. Robert Hannemann, Dukes County
3. Wayne Taylor, Mashpee
4. Dave Panagore, Provincetown
5. Kirk Metell, Tisbury
6. Jarrod Cabral, Truro

Members/Alternates:

Physically present: 15

Present by phone: 2

Legal Counsel:

Jeffrey Bernstein, Esq., BCK Law, P.C.

Staff Present:

Austin Brandt, Senior Power Supply Planner

Phil Moffit, Planning and Evaluation Manager

Dan Schell, Marketing and Communications Coordinator

Maggie Downey, Administrator
Melissa Allard, Senior Administrative Coordinator

Public Present:

None Present.

Ronald Zweig called the meeting to order at 2:00 PM. Ronald Zweig recognized Tim Carroll of Chilmark and Richard Toole of Oak Bluffs who were remotely participating because physical attendance at the meeting would be unreasonably difficult.

PUBLIC COMMENT:

There were no members of the public present.

APPROVAL OF MINUTES:

The Board considered the February 13, 2019 Meeting Minutes.

Martin Culik moved the Board to accept the minutes as amended, seconded by Peter Cocolis.

Peter	Doyle	Barnstable	Yes
Robert	Schofield	Bourne	Yes
Colin	Odell	Brewster	Abstained
Peter	Cocolis	Chatham	Yes
Tim	Carroll	Chilmark	Yes
Brad	Crowell	Dennis	Yes
Fred	Fenlon	Eastham	Yes
Alan	Strahler	Edgartown	Abstained
Ronald	Zweig	Falmouth	Yes
Valerie	Bell	Harwich	Yes
Richard	Toole	Oak Bluffs	Yes
Martin	Culik	Orleans	Yes
Leanne	Drake	Sandwich	Yes
Richard	Elkin	Wellfleet	Yes
Sue	Hruby	West Tisbury	Yes
Joyce	Flynn	Yarmouth	Yes

Motion carried in the affirmative (14 – 0 – 2)

David Anthony joined the meeting at 2:07pm.

CHAIRMAN'S REPORT:

Ron Zweig introduced the new member of the Board, Alan Strahler from Edgartown. He thanked him for joining the Compact's Board and stated how it was important to have good representation from the Vineyard.

Ron noted that there was no need for an executive session discussion today.

FINANCIAL REPORTS, PETER COCOLIS:

Peter Cocolis reviewed the 2019 Energy Efficiency Budget. He stated that only 2% has been spent as of the end of February.

The 2019 Operating Budget was handed out. Maggie Downey stated that this is the first budget report in MUNIS and went through the new format. Peter Cocolis stated that OPEB is going to be separate and come after the audit is complete. Also, that the list of contracts that have been approved will be shared at the next meeting. Ron Zweig asked how the Board felt about the revised budget column. Maggie Downey stated that it is the budget and no money has been moved around yet. She will make sure to change it to make it clearer and then add a revised budget column when needed.

PRESENTATION ON DRAFT 2017 CAPE LIGHT COMPACT FINANCIAL STATEMENTS, JENNIFER COOK, CLIFTON LARSON ALLEN, LLP:

Jennifer Cook reviewed the Cape Light Compact JPE 2017 Audit Exit Meeting PowerPoint.

Jeff Bernstein stated that the legal financial highlight should be changed to legal and consultants. In 2017 the Compact was involved in several complex Department of Public Utilities regulatory proceedings (Eversource Rate case and Grid Modernization). Sue Hruby stated that it should say related consultants, as it wasn't just any consultants. Jennifer Cook stated that she will make that change.

Maggie Downey stated that the Compact doesn't have its own actuarial yet because some of the data in 2017 comes from when it was still a part of Barnstable County. Jennifer Cook stated that next year the Compact will have its true OPEB liability amount. Richard Elkin asked if the Compact will see how much money it would need to come up with for OPEB. Jennifer Cook stated that it wouldn't be right away. Maggie Downey stated that during the last 3-Year Plan, the Compact allocated costs for OPEB and pension liabilities associated with energy efficiency staff. Once the Compact has its own actuarial tables, the exact amount of the liability will be identified. Valerie Bell stated that when the Compact was a part of Barnstable County, Compact employees were paying for their allocated pension costs and liability. However, once the Compact separated, it started paying pension costs/liabilities as the Cape Light Compact. Maggie Downey stated that the Compact, through Barnstable County paid the employer portion of all pension costs/liabilities and employees paid the employee portion.

Peter Cocolis asked if there would be any management recommendations in the final. Jennifer Cook stated that there would be. She just wanted to make sure as the Compact goes through changes that the recommendations would still be applicable. Colin Odell asked if the Compact's accounting procedures are efficient for how the Compact has set up the energy efficiency and operating budget reports. Jennifer Cook answered yes. Colin Odell stated that there are some unresolved issues from the December Board Meeting about where around \$79,000 in interest income had come from (Operating Account and/or EE). Maggie Downey stated she will get the information and share at the next Board Meeting. She asked if the Board wanted to have the auditor come back to go over the final audit with them. Sense of the Board is for each Director to review the audit and if the auditor needs to come back and answer questions, the auditor would come to the May 8th meeting.

ADMINISTRATOR'S REPORT:

1. Update on DPU 18-116, 2019-2021 Energy Efficiency Plan

Maggie Downey stated that the Compact has submitted a reply in response to the comments filed by Eversource on the Compact's Motion for Clarification and/or Reconsideration. Acadia Center, Conservation Law Foundation and the Massachusetts Division of Energy Resources submitted letters in support of the Compact's position. Jeff Bernstein stated that Eversource wrote that the Department of Public Utilities ("DPU") previously found that there was a factual basis to conclude that the Compact's program would endanger the grid. The Compact does not believe that it is accurate. Colin Odell stated that there have been power supply offerings that were based on having control of customer's usage during peak hours. He stated that, that might be something to look into and bring forward. Jeff Bernstein stated that he remembers hearing about this as well. Austin Brandt stated that anyone can do individual demand response however they want. The problem here is that the Compact's program is to be funded through the energy efficiency portion of our bill subject to the DPU's oversight. Colin Odell stated that there is so much demand response out there that is not utility controlled and taking into consideration the Compact's scale of its proposed demand response program and concluding that, it is going to affect the safety and reliability of the grid doesn't make any sense.

2. Discussion and Potential Vote on Allocation of Shared Costs Policies

Maggie Downey reviewed the allocation costs. Colin Odell stated that he doesn't see OPEB and retirement in with the staff salaries. Maggie Downey stated that she will add in the wording. Jeff Bernstein stated that healthcare should be added also. Maggie Downey stated she will break it down more. Peter Cocolis asked if all staff was on salary and that there is no overtime. Maggie Downey stated that, that is correct.

Maggie Downey stated that the DPU is looking to see how the Compact allocates shared costs between the energy efficiency and operating budget. It isn't looking to approve or disapprove what the Compact has established. Richard Elkin stated that office space, custodial and utilities should be allocated the same way as staff salaries. Many Board Members agreed. Colin Odell stated that treasury services and financial software costs are more related to the dollars. He also stated that auditor services should be allocated the same way.

Jeff Bernstein stated that the Board's contribution is currently the same as the Compact's staff. However, because the Board is split 50/50 between the energy efficiency and operating budget, he asked if some of that money should be moved to the Energy Efficiency budget. Maggie Downey stated that she didn't disagree and that she would work on it and bring back at the next meeting for the Board to vote on.

3. Discussion and Potential Vote on Utilizing State Median Income versus Area Median Income in 61%-80% Income Range

Martin Culik moved the Board vote to approve the use of the higher of State Median Income and Area Median Income in the 61-80% in all households.

The Compact Administrator is authorized and directed to take all actions necessary or appropriate to implement this vote, and to execute and deliver all documents as may be necessary or appropriate to implement this vote. Seconded by Colin Odell.

David	Anthony	Barnstable	Yes
Robert	Schofield	Bourne	Yes
Colin	Odell	Brewster	Yes
Peter	Cocolis	Chatham	Yes
Tim	Carroll	Chilmark	Yes

Brad	Crowell	Dennis	Yes
Fred	Fenlon	Eastham	Yes
Alan	Strahler	Edgartown	Yes
Ronald	Zweig	Falmouth	Yes
Valerie	Bell	Harwich	Yes
Richard	Toole	Oak Bluffs	Yes
Martin	Culik	Orleans	Yes
Leanne	Drake	Sandwich	Yes
Richard	Elkin	Wellfleet	Yes
Sue	Hruby	West Tisbury	Yes
Joyce	Flynn	Yarmouth	Yes

Motion carried in the affirmative (16 – 0 – 0)

4. Compact's Participation in Upcoming Community Events

Maggie Downey stated that the Compact has several community events coming up if any Board Members want to stop by. An updated list will be given at the April Board Meeting. She also stated that the meeting of the Energy Efficiency Advisory Council has been moved to April 10th, the same day and time as the Compact Board meeting. Therefore, Margaret Song will be taking her place at the Compact April Board meeting.

Valerie Bell stated that the Compact's education programs were going well. She participated in the NEED Teacher Training that Dan Schell had put together last month. They are looking into getting more involved in schools and sending out Compact volunteers to help teachers in the classroom.

David Anthony asked if the Compact was aware of anything going on with the electric charging stations being installed on Cape Cod. Is there a trend and/or how are people are making this infrastructure work? He stated maybe there is something the Compact could do to get in front of it. Maggie Downey stated that she will ask the town managers at their next meeting and see if they know of anything that is happening with the charging stations and then chat internally to see what the Compact can bring to the table. Brad Crowell stated that Eversource may be better positioned to handle something like this. Maggie Downey stated that Eversource has a role in the infrastructure required for the charging stations, but not in the operation of the physical charging stations. Eversource wants the municipality to own and operate them. She stated that the Compact could research whether there is a role for someone to create an RFP for the design and operation and if there is an opportunity to create a service. Martin Culik asked if David Anthony knew who was using these charging stations the most. Is it mainly tourists? David Anthony stated that the biggest usage seems to be around January. Maggie Downey stated that the Compact will see if someone is already working on something and if it can help.

ADJOURNMENT:

Motion to adjourn made at 3:36 PM moved by Robert Schofield, seconded by Martin Culik.

Respectfully submitted,

Melissa Allard

LIST OF DOCUMENTS AND EXHIBITS:

- Meeting Notice/Agenda
- February 13, 2019 Draft Meeting Minutes
- Email from Edgartown introducing new Compact Board Member
- D.P.U. 18-116, Motion for Clarification and Reconsideration
- 2019 Energy Efficiency Budget
- 2019 Operating Budget
- Cape Light Compact 2017 Audit Exit Meeting PowerPoint
- Proposed Amendment to 2019-2021 Energy Efficiency Plan: Income Eligible Program Guidelines
- Allocation of Shared Costs Policy
- Events Calendar

Draft Minutes subject to correction, addition and Committee/Board Approval